

U. S. Small Business Administration

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UTAH DISTRICT NEWSLETTER

February 9, 2009

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Save the Date:

WBC— New Client Orientation
2/5/2009 4–5 pm
2/19/2009 9-10 am
Salt Lake Chamber
175 E 400 S, Ste 600
Salt Lake City, UT

Business Essentials : Resolving Conflict in the Workplace:
2/11/09 8:30–10 am
Tax Time Discipline:
2/19/09 12–1:30 pm
Disadvantaged Business Enterprise:
2/25/09 1:30–4:30 pm
Salt Lake Chamber
175 E 400 S, Ste 600
Salt Lake City, UT

SBDC—Business Start-Up Seminar (Start Smart)
2/14/2009 10 am–12pm
WSU Davis Campus, Rm 114
2750 N Univ Park Blvd,
Layton, UT

Helping small businesses
start, grow and succeed.



DARYL HAIRSTON, ACTING ADMINISTRATOR OF THE U.S. SMALL BUSINESS

On January 20, 2009, President Barack Obama designated Darryl Hairston, as Acting Administrator of the U.S. Small Business Administration.

Hairston currently serves as deputy associate administrator for Management and Administration, and has served the agency over the past 30 years in a variety of senior executive positions in the Office of Government

Contracting/Business Development, the Office of Investment, and the Washington D.C. District Office. He began his SBA career in 1978 as a business management specialist in the Charleston, W.V., District Office.

Hairston is expected to serve as Acting Administrator until a permanent Administrator is confirmed by the Senate.



2009 Resource Guides

We have received our shipment of the 2009 Resource Guides. The guides contain information on Procurement, the various SBA Loan Programs, lender contact information, resource partners, and general information on getting started in business. Please either drop by our office or contact us to get your supply.

RED CLIFF LODGE, A SUCCESS STORY

Colin D. Fryer owns and operates several major businesses in Southern Utah. He began his entrepreneurial career just after high school in Salt Lake City, where he owned and operated a car stereo business. After opening three additional stores, Colin sold the business and created U.S. Electronics, a wholesale stereo equipment business soon after. The business grew to include stores in both Utah and Idaho and his customer base expanded when he added retail stores and the sale of waterbeds. Fryer operated these stores for over 15 years.

In 1989 while traveling through Southern Utah, Colin saw an opportunity to pursue his dream. He experienced car problems and was stranded in Moab for several days waiting for a part for his

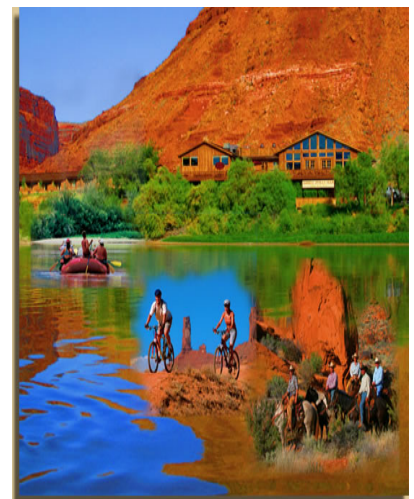
car. While there, he decided to explore the area.

He sold his business in Salt Lake and bought the ranch with the assistance of an SBA 504 loan. He opened the first motel/lodge in 1990 and called it Red Stone Inn. Currently Colin has seven businesses, not only do the lodges attract people because of the ambiance and beauty of the area, the lodges provide amenities that delight the guests. Guests are encouraged to put their bikes in their rooms. The lodge provides areas to wash the bikes and make repairs. Rooms are also provided for pets.

Colin is involved with local community organizations. For the past several years, Colin sponsored a "Goodwill Weekend" during the Labor Day holiday, where he hosts several events at his

lodges. All funds raised are contributed to several local charities.

As a small business owner, Colin has had a major impact in Grand County. His businesses are a key source of employment and tax revenue in this county. His lodges and adventure motels attract tourists.



SAVE THE DATE CONTINUED

Business Women's Forum Luncheon
 2/17/09 11:30 am—1 pm
 Asian Star Restaurant
 7588 Union Park Blvd.
 Midvale, UT

Franklin Covey's—The 7 Habits for Small Business Managers
 2/20/09 & 2/21/09
 8:30 am—4:30 pm
 Ogden/Weber ATC
 1843 West 4000 South
 Roy, UT

SBDC—Introduction To Marketing
 2/21/2009 10 am—12 pm
 WSU Davis Campus, Rm 114
 2750 N Univ Park Blvd,
 Layton, UT

8(a) WorkShop
 2/24/2009 10 am—12 pm
 3/31/2009 10 am—12 pm
 Federal Building
 125 S. State Street, Rm 2227
 Salt Lake City, UT

SBDC Business Start-Up Seminar (Start Smart)
 2/28/2009 10am—12 pm
 Business Information Center
 2036 Lincoln Ave. Suite 105
 Ogden, UT

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 As needed 801-645-6458
 Ogden BIC
 2036 Lincoln Ave., Ste 105
 Ogden, UT

MARCH

SBDC Business Start-Up Seminar (Start Smart)
 3/14/2009 10am—12 pm
 Business Information Center
 2036 Lincoln Ave. Suite 105
 Ogden, UT

SBDC—Introduction To Finance (Money Smart)
 3/21/2009 10 am—12 pm
 WSU Davis Campus, Rm 114
 2750 N Univ Park Blvd,
 Layton, UT

SBA Efforts to Thaw U.S. Credit

WASHINGTON – In this difficult credit environment, it's important to understand what's happening in the market and the several extraordinary steps the U.S. Small Business Administration has taken in recent months.

Economic uncertainty has led to diminished small business loan demand. Borrowers are, on average, less creditworthy than in previous years. Lenders have also tightened credit standards. At the same time, liquidity concerns have led some lenders to raise cash reserves until the economy picks up again; other lenders have slowed SBA-backed lending because the secondary market for those loans is still disrupted.

To address these issues, SBA has taken several steps:

First, SBA added an alternative base interest rate lenders can use on SBA-backed loans, the one-month LIBOR rate (London Interbank Offered Rate). By creating a way for loan rates to be more in line with lenders' costs, this change helps lenders continue to be profitable on new SBA loans despite current divergence between interest rates and costs of funds.

Second, SBA allowed a new structure – Weighted Average Coupon Pools – for pools of SBA securities sold in secondary markets, improving profitability and adding liquidity into the secondary market for SBA-guaranteed loans. Because the average interest rate is used for these pools, they are easier for pool assemblers to create and more attractive to potential investors.

These important changes address immediate problems faced by lenders and investors, problems that reduced capital availability for small businesses.

SBA also worked with the Treasury Department and the Federal Reserve Board of Governors to ensure the new Term Asset-Backed Securities Loan Facility (TALF) program will help restore buying activity in SBA's disrupted secondary market, generating liquidity lenders need to step up their small business lending.

It has only been two months since SBA changes to rules on rates and pooling became effective, and those changes will take time to work through the system. We think the TALF will have a strong positive effect on the secondary markets but this program also is just getting off the ground.

SBA also has reminded participating lenders of their authority to extend temporary payment relief for qualified borrowers struggling to repay their loans. SBA has asked lenders not to react to changing financial variables, such as fluctuations in personal credit scores, declining collateral values, and reduced home equity by broadly calling borrower loans.

In recent months, SBA staff has met with hundreds of lenders around the country to review their strategies and portfolio quality, and to encourage their use of SBA products, soliciting feedback on their problems and how SBA can improve its products and services.

In response, last year SBA launched Small/Rural Lender Advantage to help small and rural lenders by streamlining the loan process so they can better reach underserved markets.

SBA has also modernized its programs to make the agency a better partner for lenders. It centralized its loan process from 68 sites to six, a change long requested by lenders, to standardize procedures, upgrade technology and cut

turnaround times. Since 2006, 7(a) loan processing times have fallen by more than 50 percent. In 2007, SBA took 279 days on average to pay lenders their guaranties; today it's less than 25 days for correct loan packages.

The current Administration also freed the program from volume limitations that caused program shutdowns in 2002 and 2004 by funding the program through modest fees and eliminating its \$120 million annual subsidy. Today, lenders don't worry about the program shutting down late in the year, enabling them to market it more vigorously.

SBA has also modernized its processes and technology. Last year, SBA updated and simplified its program rule book from over 1,000 pages to 400 pages and made it searchable online. The agency also upgraded its technology systems, allowing lending partners to service SBA loans electronically.

These changes are having an effect. Over the last year, SBA has seen a net increase in active lenders, specifically community banks.



National Small Business Week 2009

Save the Date!

SBA to Mark 56th Year with Issue Forums, Receptions, And the Naming of National Small Business Person of the Year

WASHINGTON — The nation's top entrepreneurs will be hailed at the U.S. Small Business Administration's National Small Business Week events May 17-19, in Washington, D.C., marking the 56th anniversary of the agency, and the 46th annual proclamation of National Small Business Week.

More than 100 small

business owners from across the country will gather for three days of events at the city's Mandarin Oriental Hotel to be honored for their accomplishments as the nation's leading small businesses. The highlight of events will be the announcement of the **National Small Business Person of the Year**.

Men and women also will be recognized for their involvement in disaster recovery, government contracting, and their support for small businesses. Awards also will be presented to SBA partners in financial and entrepreneurial development, including SCORE Chapter, Small Business Development Center and Women's Business Center of the year.

Small Business Week award winners will meet with top agency officials, congressional representatives and national business leaders. The State Small Business Award Winners and recipients of the Champion and other Entrepreneurial awards are nominated by local trade associations, chambers of commerce and business organizations and government agencies.

Media outlets are encouraged to cover National Small Business Week events, and can register online. Additional information on the Small Business Week 2008 events is available at www.sba.gov/sbw.



THE UTAH SMALL BUSINESS AWARDS LUNCHEON

We would like to send a big "thank you" to all of those who took time to submit nominations for this years Small Business Awards. We feel that we had some really deserving nominees and look forward to honoring the winners at the upcoming Small Business Awards Luncheon. The luncheon will be held on Monday, May 4, 2009 at the Joseph Smith Memorial Building. Please mark this date on your calendars. More details will be forthcoming in the near future.



EMPLOYEE SPOTLIGHT-GEORGIA YOSHIDA

Georgia Yoshida is a Business Development Specialist in the Utah District Office of the Small Business Administration (SBA), which is based in Salt Lake City. She currently serves as the Public Information Officer and SCORE liaison. She has worked for the federal government approximately 21 years, 19 of those years at the SBA. Georgia started her career at SBA, as a temporary employee in the Portfolio Management Division.

At that time, all of the loan logs were hand written and the office had one WANG computer to share among 28 employees. After spending one year at SBA, she moved to the Regional Solicitor's office of the Bureau of Reclamation. She then returned to SBA two years later as a Loan Servicing Assistant (LSA).

Georgia feels working for the SBA has been totally awesome – what other agency personally

touches so many small businesses! The first month that she started working at SBA as an LSA, the office approved 20 loans. Last year the average monthly loan approval was 230 loans.

This year, Georgia will celebrate her 35th wedding anniversary with her husband Max. She absolutely adores her son Toby, daughter-in-law Mui and her grandchildren, Taison and Maia.



LENDER	January Loan Numbers	January Total Dollars	YTD Loan Numbers	YTD Dollars
AMERICA FIRST FCU	8	\$212,000	27	\$867,000
AMERICA WEST BANK	0	0	2	\$2,367,300
AMERICAN BANK OF COMMERCE D/B/A AMBANK	0	0	0	0
AMERICANWEST BANK	6	\$1,015,000	11	\$2,141,000
BANCO POPULAR NORTH AMERICA	2	\$1,260,800	8	\$2,795,100
BANK OF AMERICA, NATIONAL ASSOCIATION	0	0	0	0
BANK OF AMERICAN FORK	0	0	5	\$762,500
BANK OF THE WEST	0	0	1	\$335,000
BANK OF UTAH	1	\$150,000	5	\$578,000
BARNES BANKING COMPANY	1	\$500,000	1	\$500,000
BEACH BUSINESS BANK	0	0	1	\$975,000
BEEHIVE CU	3	\$93,000	11	\$413,000
BRIGHTON BANK	1	\$150,000	2	\$205,000
CACHE VALLEY BANK	0	0	0	0
CAPITAL COMMUNITY BANK	0	0	0	0
CAPITAL ONE BANK (USA), NATIONAL ASSOCIATION	0	0	0	0
CAPITAL ONE, NATIONAL ASSOCIATION	0	0	0	0
CELTIC BANK CORPORATION	6	\$1,910,000	27	\$9,976,600
CENTRAL BANK	0	0	3	\$265,100
CIT SMALL BUSINESS LENDING CORPORATION	0	0	0	0
COMERICA BANK	0	0	0	0
COMPASS BANK	0	0	2	\$1,122,000
CONTINENTAL BANK	0	0	0	0
CYPRUS FCU	2	\$60,000	5	\$180,000
DESERET FIRST FCU	5	\$130,000	16	\$517,900
FIRST COMMUNITY BANK	0	0	0	0
FIRST UTAH BANK	0	0	1	\$70,000
FRONTIER BANK, FSB	0	0	3	\$215,000
GOLDENWEST FCU	3	\$140,000	12	\$415,000
GRANITE FCU	1	\$30,000	2	\$80,000
HERITAGEWEST FCU	4	\$322,300	11	\$520,000
HORIZON UTAH FCU D/B/A HORIZON CU	1	\$10,000	4	\$90,000
INNOVATIVE BANK	0	0	0	0
IRWIN UNION BANK AND TRUST COMPANY	0	0	0	0
JORDAN FCU	2	\$100,000	9	\$315,200
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	0	0	1	\$47,200
KEYBANK NATIONAL ASSOCIATION	3	\$910,000	7	\$1,477,600
LEHMAN BROTHERS BANK, FSB	0	0	0	0
MOUNTAIN AMERICA FCU	38	\$3,188,100	216	\$9,242,900
MOUNTAIN WEST BANK	0	0	1	\$207,000
MOUNTAIN WEST SMALL BUSINESS FINANCE	6	\$2,222,000	36	\$14,569,000
NEVADA STATE BANK	0	0	0	0
PNC BANK, NATIONAL ASSOCIATION	0	0	0	0
PRIME ALLIANCE BANK	0	0	0	0
SAEHAN BANK	0	0	0	0
SOUTHWEST COMMUNITY FCU	0	0	1	\$10,000
STATE BANK OF SOUTHERN UTAH	0	0	4	\$545,700
SUNFIRST BANK	0	0	0	0
SUPERIOR FINANCIAL GROUP, LLC	1	\$15,000	3	\$37,500
TEMECULA VALLEY BANK	1	\$610,000	1	\$610,000
THE FIRST NATIONAL BANK OF LAYTON	0	0	3	\$643,000
THE HUNTINGTON NATIONAL BANK	0	0	2	\$522,000
THE VILLAGE BANK	0	0	0	0

LENDER	January Loan Numbers	January Total Dollars	YTD Loan Numbers	YTD Dollars
U.S. BANK NATIONAL ASSOCIATION	4	\$175,000	17	\$2,295,000
UNITED MIDWEST SAVINGS BANK	0	0	0	0
UNITED WESTERN BANK	0	0	0	0
UNIVERSITY OF UTAH FCU	1	\$400,000	1	\$400,000
UPS CAPITAL BUSINESS CREDIT	0	0	0	0
USU CHARTER FCU	0	0	0	0
UTAH CENTRAL CREDIT UNION	0	0	2	\$100,000
UTAH CERTIFIED DEVELOPMENT COMPANY	6	\$2,358,000	28	\$15,723,000
UTAH COMMUNITY FEDERAL CREDIT UNION	0	0	0	0
UTAH FIRST FCU	3	\$130,000	5	\$210,000
VECTRA BANK COLORADO, N.A.	1	\$40,000	2	\$75,000
WACHOVIA SBA LENDING, INC.	0	0	0	0
WASHINGTON MUTUAL BANK	0	0	0	0
WEBBANK	0	0	0	0
WELLS FARGO BANK, NATIONAL ASSOCIATION	2	\$215,000	19	\$5,446,800
ZIONS FIRST NATIONAL BANK	52	\$3,470,600	217	\$12,723,400
TOTALS	164	\$19,816,800	735	\$90,590,800